

Alternative Learning Experience (ALE) Programs

2011 Interim

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Interim Work Plan:

Alternative Learning Experience (ALE) programs are education delivery or instructional programs that often include online learning. It has been suggested that ALE funding levels should be reduced by eliminating money that would go to traditional brick and mortar school jobs such as secretaries, janitors, building and grounds staff, and security guards. However, many ALE programs operate out of a building at which students attend classes, labs, meetings with teachers, and study halls.

Staff will research the different types of ALE programs and draft legislation that separates ALE programs that use brick and mortar from those that are primarily online programs.

Background

Alternative Learning Experience (ALE) programs – unlike traditional public school programs – are not constrained to a classroom setting or class schedule. The requirements and expectations of ALE courses are detailed in a written student learning plan developed and supervised by a public school teacher. ALE programs may include some direct instruction.

Alternative learning experience program enrollment has increased significantly since 2005. In the last four years, ALE enrollments have increased by 85 percent. For the 2010-11 school year, ALE enrollment totaled approximately 35,700 student Full Time Equivalent (FTEs), as of June 2011. This translates to state expenditures of approximately \$175 million per year – or \$350 million per biennium. Although updated ALE counts will not be available until December 2011, it is likely that enrollment for the 2011-12 school year is down several thousand student FTEs from the previous school year.

Legislation Enacted in the 2011 Session

Prior to 2011, basic requirements for ALE programs, as noted above, included: individualized, written, student learning plans developed and overseen by Certificated Instructional Staff (CIS); weekly student/teacher contact which was not required to be synchronous and had no minimum time requirement; compliance with statewide student assessments; and adherence to district-approved curricula.

In Engrossed Substitute House Bill (ESHB) 2065 (Alternative Learning Students - Funding),¹ enacted in 2011, the Legislature reexamined and reconsidered ALE programs. In the bill, the Legislature:

- Considers the method by which the state funds ALE programs;
- Concludes that no legal obligation exists to provide basic instruction using any particular delivery method or program;
- Prohibits the use of parent stipends in ALE programs. However, it allows districts to continue to purchase materials in a student learning plan so long as the materials remain the property of the district;
- Requires school districts that purchase or contract for instructional or co-curricular experiences or services that are included in an ALE written learning plan make available “substantially similar” experiences or services to students in the district’s regular instructional program;
- Requires that the Office of the Superintendent of Public Instruction (OSPI) approve multi-district online course and program providers, as well as individual school district programs, beginning in the 2013-14 school year;
- Clarifies the definitions for "online course" and "online school program";
- Reduces funding by an aggregate amount of 15 percent for ALE programs for the 2011-12 and 2012-13 school years;
- Requires OSPI to determine the methodology used to achieve the savings, using specified criteria, so long as no particular ALE program receives less than 10 percent reduction or more than 20 percent reduction in funding;
- Exempts school districts from minimum staffing requirements for CIS for that portion of the student population participating in ALE programs;
- Provides definitions for ALE programs. ALE programs are defined as those that:
 - Can be held in whole or in part outside of the classroom setting;
 - Are supervised by a certificated teacher from within the student's district or under contract with the district; and
 - Follow a written learning plan pursuant to district policy and rule created by OSPI; and
- Provides that ALE programs can be separated into three broad categories:
 - Online programs, defined under current law;
 - Programs with significant participation and partnership with parents; and
 - Contract-based learning programs.

Primary Categories of ALE Programs

Brief descriptions follow of the three broad categories of ALE programs called out in ESHB 2065: online/digital learning, parent-partnership programs (PPPs), and contract-based learning:

¹ Chapter 34, 2011 Laws 1st Special Session

Online/Digital Learning Programs

This model is delivered to students primarily electronically, using the internet or other computer-based methods. In the 2010-11 school year, approximately 26 percent of ALE student FTEs were in online/digital programs.

An "online course" is one in which more than half the course content is delivered electronically, and more than half the teaching is conducted from a remote location. An "online school program" is one that: delivers courses or grade-level coursework primarily electronically; offers a sequential set of online courses or grade-level coursework that may be taken in a single school term or throughout the school year to provide a full-time basic education program if so desired by the student; is taught by a teacher primarily from a remote location; and has an online component with online lessons and tools. Students enrolled in an online program may have access to the teacher synchronously, asynchronously, or both.²

Online/digital ALE students often enroll as non-resident students in geographically removed school districts that offer virtual programs. Many traditional public school students might make use of online or computer-based resources during a standard on-site program of education. Online learning becomes ALE only when the student is engaged in learning away from school, and the school district is using the time the student engages in this away-from-school learning as part of the FTE claimed for basic education apportionment.

Online ALE programs must meet requirements set in statute and rule. For example, state law requires that a certificated teacher supervise, monitor, assess, and evaluate his or her students. Each student must have a learning plan that includes a description of the course objectives and requirements to successfully complete the program. Districts are required to: (1) use reliable methods to ensure that students are doing their own work, and (2) must annually assess students using the state assessment for the student's grade level. Students must have direct personal contact with the teacher at least weekly, although the length of contact is not specified by statute and the contact need not be in "real time." Districts must report annually regarding the types of programs and courses offered, numbers of students participating, participating students' districts of physical residence, and the ratio of CIS to students.³

Multi-district online course and program providers, as well as individual school district programs, must be approved by the Digital Learning Department (DLD) within OSPI. Currently, multi-district online programs (programs that offer online courses in more than one district) must be approved by DLD. However, ESHB 2065 requires that all online programs must be approved by the DLD beginning in the 2013-14 school year.

² RCW 28A.150.262, "Defining full-time equivalent student — Students receiving instruction through alternative learning experience online programs — Requirements," and RCW 28A.250.010, "Definitions."

³ RCW 28A.150.262, "Defining full-time equivalent student — Students receiving instruction through alternative learning experience online programs — Requirements."

Parent Partnership Programs

Parent partnership programs (PPPs) are distinguished by significant participation and partnership by parents and families in the design and implementation of a student's learning experience. Usually, the parent or guardian is the primary instructor. Although not home-based instruction (homeschooling), the model often follows a similar format. In the 2010-11 school year, approximately 40 percent of ALE student FTEs were in PPPs.

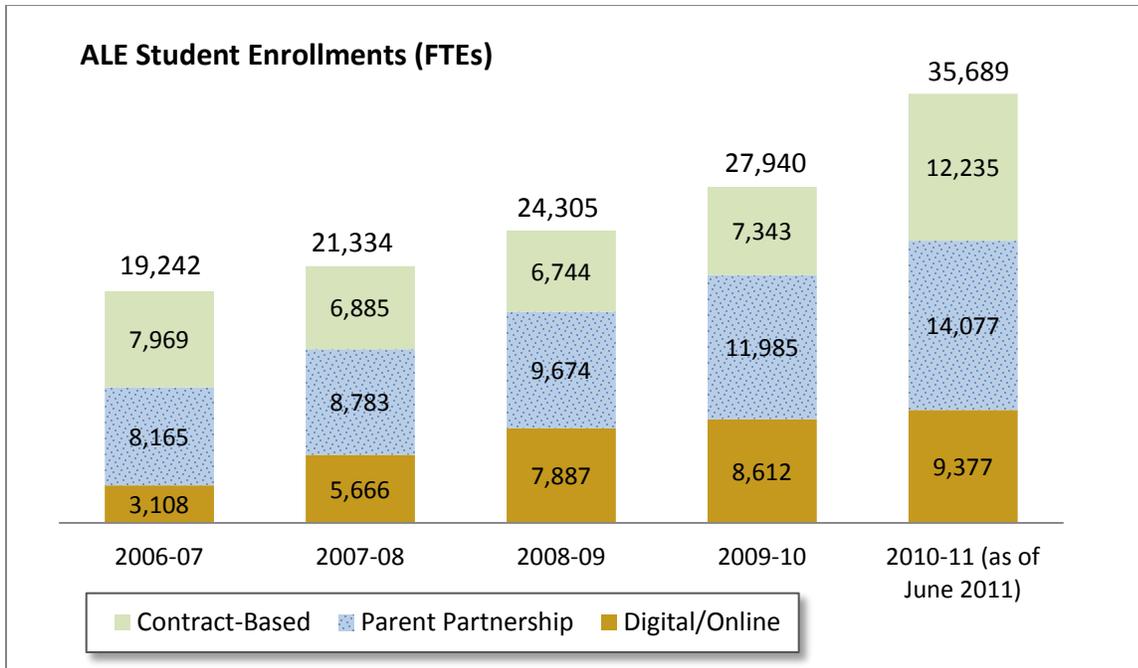
State law makes a distinction between ALE programs and home-based instruction. Many students in PPPs may have been receiving home-based instruction prior to enrolling in the ALE program. However, ALE programs are subject to public school district oversight and rules, including those governing curriculum approval and testing. In contrast, home-based instruction is not subject to public school district rules; rather, it is the parents' responsibility to oversee students' education and progress.

School districts are required to provide parents a written description of the difference between ALE programs and home-based instruction. Parents must sign this document which must be retained for audit.

Contract-Based Learning Programs

Contract-based learning is usually limited to secondary students, and is often used for credit retrieval or credit acceleration. The term "contract-based" refers to the learning contract – or learning plan – between the teacher and the student. (The name is sometimes thought to mean the program of education is delivered by a contractor; but any of the three types of ALE programs can be delivered by the school district itself or by way of a contractor.) In the 2010-11 school year, approximately 34 percent of ALE student FTEs were in Contract-Based programs.

Contract-based ALE programs are not specifically defined in statute. Many alternative middle and high schools offer some form of contract-based learning, as do a smaller number of comprehensive high schools. However, not all alternative high schools are ALE programs. Many contract-based programs offer flexibly structured programs for students not succeeding in a general education high school format. Students served through contract-based programs include: credit-recovery students; gifted students; at-risk students (potential drop-outs due to low grades, erratic attendance, or insufficient credit earnings; students working to support themselves who often have scheduling challenges; reentry students who have dropped out and are reentering public school; students with low academic performance or ability who require remedial academic work); or transition students (students with individual education plans who have behavioral issues and have difficulty transitioning back to traditional classroom settings; students transitioning back to public school from non-school education programs such as in drug rehabilitation, juvenile detention, or hospitals).



Results of Selected Studies and Audits

Joint Legislative Audit and Review Committee (JLARC)

In 2005, JLARC conducted an ALE-program study that identified several areas of concern, including:

General regulatory framework. The lack of direct statutory authorization limits the state's ability to monitor and control the programs. The programs established in ESHB 2065 partially address this concern.

Quality-assurance requirements. The lack of rules at the time the audit was conducted presented a barrier to effective monitoring and oversight. OSPI established rules, effective as of the 2005-06 school year, that partially addressed this concern. The changes included: (1) Requiring more involvement on the part of certificated staff; (2) Establishing new expectations regarding curriculum; and (3) Strengthening student assessment requirements.

Program oversight and accountability. The lack of statutory guidance or program rules at the time of the JLARC review meant control and oversight was often left to the individual school districts – many of which were conflicted due to their role maximizing revenues for their local jurisdictions. Both statutory and rule changes since that time have improved the clarity of requirements and OSPI conducts ongoing training for school districts. However, a formal mechanism is not in place to ensure the quality of the students' program of education and accountability for state resources.

Use of religious curriculum and materials. Regardless of state policies in place, the JLARC study concluded there was evidence that some programs use religious-based instructional

materials to support students' learning programs. If so, this runs contrary to state constitutional provisions.

Program funding and spending. JLARC found some cause for concern over ALE program funding and spending. It cited the Washington State Auditor's Office's (SAO) findings of instances where program funds had been used for items that could be considered potentially inappropriate. This raises the issue as to whether restrictions should be put in place.

Washington State Auditor's Office

The SAO monitors compliance with state rules and regulations. Recent SAO reports highlight elements of ALE program implementation that can be improved or warrant additional attention for increased accountability. In November 2008, the SAO released a report entitled, "[Internet Alternative Learning Experience Programs](#)," which includes audits of Federal Way, Quillayute Valley, and Steilacoom Historical School Districts' Internet-based ALE enrollment practices. These three districts operated the largest Internet learning programs in the state during the audited period (the 2006-07 school year). The report identified ways in which the districts were out of compliance with state requirements⁴ and estimated the value of the enrollments not meeting requirements to be \$5.4 million in state funding. Examples of non-compliance included: (1) Not having in place the required monthly-progress reviews for students (compliance for the three districts was 18, 43, and 94 percent); (2) Not following up with proper tracking when students' progress had been deemed unsatisfactory (compliance for the three districts was zero percent for two districts and 100 percent for the third); and (3) Not having adequate contact between students and instructors (compliance was 90, 81, and 50 percent). The SAO found better compliance regarding the presence of written student learning plans (two districts were 100 percent compliant and one district had 89.5 percent compliance).

Recent audits of ALE programs conducted in November 2011 reveal that there may be continuing challenges in these areas. A summary of sample results for the audit period, fiscal year 2010, include:

| School District | Number of FTEs Audited | Number of Audited FTEs <i>Not Meeting Requirements</i> | Sample Observations |
|---------------------|------------------------|--|--|
| Battleground | 62.6 | 38.6 (61.7%) | <ul style="list-style-type: none"> - District did not maintain individual student learning plans - Documentation to support required weekly contact not maintained - Required monthly progress reviews not maintained |

⁴ School districts must maintain documentation to show requirements are being met. This documentation includes: a written learning plan for each student, including documentation of required weekly personal contact, the number of hours spent in learning activities, monthly student progress reviews, student evaluation and assessment results, student rosters to support enrollment information reported to OSPI, and documentation signed by parents that show they understand the difference between ALE and home-schooling and that the online program is an ALE program.

| School District | Number of FTEs Audited | Number of Audited FTEs <i>Not Meeting Requirements</i> | Sample Observations |
|-----------------------|------------------------|--|--|
| Bethel | 31.6 | 29.0 (91.8%) | <ul style="list-style-type: none"> - Individualized written student learning plans not developed until after first semester - Required monthly progress reviews not conducted for December and May - Some monthly progress reviews were only for classes completed - When progress is unsatisfactory, actual hours are required to be tracked. All of the students tested had unsatisfactory progress, and no documentation was maintained to demonstrate that actual hours were tracked - FTE not adjusted for unsatisfactory progress - Documentation to support required weekly contact rarely maintained |
| Central Kitsap | 62.7 | 3.8 (6.1%) | <ul style="list-style-type: none"> - Monthly progress report not held for two months - Written student learning plan amended and the number of hours enrolled reduced; district continued to report student as one FTE |
| Everett | 22.6 | 0 (0.0%) | <ul style="list-style-type: none"> - Weekly e-mails between student and teacher not always maintained |
| Eastmont | 16.7 | 2.0 (12.0%) | <ul style="list-style-type: none"> - Documentation to support required weekly contact not maintained |
| Kennewick | 61.6 | 19.5 (31.7%) | <ul style="list-style-type: none"> - Written student learning plans not modified or revised when changes to classes or hours occurred - Required monthly progress reviews not conducted - FTE was not adjusted for unsatisfactory progress - Documentation to support required weekly contact not maintained |
| Kent | 34.8 | 2.4 (6.9%) | <ul style="list-style-type: none"> - District did not track actual hours when students made unsatisfactory progress - Monthly evaluation not performed - FTE is based on average weekly hours identified in the written student learning plan. Learning plans did not identify hours, instead identified course work to be completed by week, month or semester |
| Lind | 13.0 | 13.0 (100.0%) | <ul style="list-style-type: none"> - Written student learning plans not in place - Reported enrollment for students with no contact with school staff for 20 consecutive school days prior to count date - Inadequate learning plans (did not identify specific learning goals, performance objectives and requirements for successful completion or timelines and methods for evaluating progress) - Documentation of evaluations not maintained - Documentation of weekly contact not maintained - Actual hours not tracked when student progress determined unsatisfactory |
| Meridian | 70.3 | 0 (0.0%) | <ul style="list-style-type: none"> - Actual hours not tracked in the month following an unsatisfactory evaluation - Student learning plan without required elements |
| Monroe | 43.0 | 5.8 (13.5%) | <ul style="list-style-type: none"> - Did not adjust FTE for actual hours when progress was unsatisfactory |

| School District | Number of FTEs Audited | Number of Audited FTEs <i>Not</i> Meeting Requirements | Sample Observations |
|-----------------------|------------------------|--|---|
| Northshore | 59.8 | 0 (0.0%) | <ul style="list-style-type: none"> - District ALE policy missing elements & not reviewed since 2007 - One student learning plan did not identify method for evaluating satisfactory progress |
| North Thurston | 4.2 | 4.2 (100.0%) | <ul style="list-style-type: none"> - Written student learning plans not in place prior to count date - Documentation to substantiate student monthly progress review not available - Documentation to substantiate weekly contact not available |
| Republic | 30.2 | 4.5 (14.9%) | <ul style="list-style-type: none"> - Written student learning plans not in place - Documentation supporting weekly contact not maintained - Written student learning plans did not state learning goals and objectives and essential academic learning requirements |
| Ritzville | 20.0 | 20.0 (100.0%) | <ul style="list-style-type: none"> - Failure to have written student learning plans in place - Reported enrollment for students with no contact with school staff for 20 consecutive school days prior to count date - Written student learning plans not aligned with courses in which students were enrolled - Plans did not specify learning goals, performance objectives, requirements for successful completion, methods for evaluation - Documentation of evaluations not maintained - Documentation of weekly contact not maintained - Actual hours not tracked when students' determined to be unsatisfactory - Program being operating without a school board approved policy - Asset purchased by the program gifted to student |
| Riverside | 49.5 | 3.9 (7.9%) | <ul style="list-style-type: none"> - Records supporting weekly contact not consistently maintained |
| Seattle | 63.9 | 59.9 (85.7%) | <ul style="list-style-type: none"> - Counting students with no district-approved plan - Lack of documentation of required monthly progress reviews - Failure to track actual hours for students with unsatisfactory progress - Failure of school board to annually review & adopt written policies for each ALE program (responsibility delegated to individual schools, with schools not meeting state requirements) - Inadequate learning plans (did not identify specific learning goals, performance objectives and requirements for successful completion or timelines and methods for evaluating progress) |
| Tacoma | 2,090.9 | 154.8 (7.4%) | <ul style="list-style-type: none"> - No written student learning plans - Written student learning plans missing supporting documentation including course syllabus, beginning and ending dates - Missing or no monthly progress reports |
| Yakima | 62.0 | 0.2 (0.3%) | <ul style="list-style-type: none"> - When progress is unsatisfactory, actual hours are required to be tracked. One student's FTE reduced but not based on hours tracked. |

The above sample of recent audits reveals a pattern of common documentation problems. It is unknown whether (1) the school districts are meeting state educational requirements and failing to document, or (2) the school districts' operations themselves are falling short.

Other Concerns

Other areas of concern (besides lack of documentation to show compliance with state laws and regulations) about ALE program practices have furthered statutory changes, including those in ESHB 2065. These concerns include, but are not limited to: (1) Boosting enrollments of out-of-district students by offering rewards of free electronic products or parent "stipends;" (2) Encouraging school district employees to increase ALE enrollment by paying employee bonuses; (3) Converting existing private schools to district-affiliated ALEs to allow the schools that were previously private to collect state funding; and (4) Using curricula that are not approved by the school district and/or are religious in nature.

Concern has also been raised about the presence of ALE student FTEs in enrollment counts or revenues when those counts or revenues are used for ancillary purposes, such as calculating the levy base for non-resident districts thereby increasing the allowable local taxing capacity, or in the formula of state funding contributions for school capital construction projects, thereby approving state-supported capital construction in districts with few physically-present students.

Finally, because ALE students have not been tracked individually in OSPI databases, it is impossible to make judgments on a statewide level about the degree to which ALE programs are succeeding. More robust data collected centrally at OSPI, and reported by the Educational Research Data Center (ERDC) would allow researchers to make more conclusive judgments about program outcomes and allow districts to modify or strengthen programs accordingly.

2011 Budget Development & SHB 2065

During 2011-13 budget development, the House proposed reducing all ALE program funding by 19.9 percent, yielding a budget savings of \$53.1 million. The percent reduction was calculated by removing specific, bricks-and-mortar based allocations from the ALE funding formula – including allocations for school-level secretaries, janitors, buildings and grounds staff, security guards, and other staff. Simultaneously, the allocation for technology was doubled to reflect more intensive technology needs, resulting in the net 19.9 percent reduction.

Public input following release of the proposal raised concerns about ALE programs that function much like traditional bricks-and-mortar programs and could not sustain a budget reduction of 20 percent. The Senate budget subsequently proposed a 10 percent reduction to accommodate the portion of ALE programs that operate on-site, yielding budget savings of \$25.8 million.

Stakeholders remained concerned about some ALE programs – especially certain contract-based programs – that would experience untoward staffing pressures from a 10 percent reduction. The House amended HB 2065 to require ALE students to receive one hour per week of face-to-face, in-person instructional contact with a certificated teacher. For ALE online

programs, the bill required one hour per week of synchronous contact time, which could occur remotely. The bill also provided a statutory definition of ALE programs, prohibited school districts from paying parent stipends for ALE programs, limited state funding—beginning in the 2012-13 school year— for ALE online programs to those approved by OSPI, and exempted school districts from minimum staffing requirements for certificated instructional staff. The estimated budget impact of the bill was a reduction of \$45.0 million, resulting from changes in student enrollment. The total ALE enrollment was forecasted to go down by 8,100 student FTEs with 3,100 student FTEs returning to traditional public school environments and approximately 5,000 student FTEs leaving the public school system. Because the contract-based programs were expected to manage the added student-teacher contact requirement without changes to their practices, as most functioned like traditional bricks-and-mortar programs, and because the online/digital programs were exempted from the synchronous contact requirement, it was expected that most of the enrollment decline would take place in the PPPs, with many of those student FTEs expected to return to traditional home-schooling education models.

The final version of ESHB 2065 provided scaled percent reductions ranging from 10 to 20 percent, and averaging 15 percent, to be determined by OSPI according to specified criteria. The differential funding has since been set at 90 percent for programs with one hour of face-to-face contact time per week, or one hour of synchronous contact time for programs where students receive all of their learning activities online. All other programs are funded at 80 percent.

Potential for Amending Budget Reductions Currently in Place

Currently the minimum percent reduction for ALE programs continues to be 10 percent, regardless of whether the program functions like a bricks-and-mortar program.

Programs such as contract-based ALEs, conducted largely on-site, are concerned about maintaining funding for staffing levels similar to traditional programs' levels. Conversely, online/digital programs have made "trade-off" decisions about whether to accept 20 percent budget reductions or alter the operations of their programs to accommodate a one-hour-per-week direct contact requirement.

Alternative funding approaches could strive to reflect program operations, achieve targeted budget reductions and, at the same time, address some of the program concerns identified above. However, a restructure that maintains budget neutrality would have to include further reductions or, possibly, disenrollments in some ALE programs if funding were restored to others.

Some of the challenges involved in restructuring program requirements and scaling funding to the operations of the programs include the amorphous nature of the ALE categories. As evidenced by the descriptions provided earlier, many of the ALE categories are defined by what they are not rather than what they are. However, Legislators have opportunities to impose some desired improvements and guard state resources.