



K-12 Online Learning

K-12 student participation in online learning is growing, and both benefits and concerns are emerging.

Major Findings:

- An estimated 20,000 K-12 students took at least one online course during the 2010-11 school year; about 8,000 students took online courses offered by their own schools, and 12,000 took courses from state-approved “online schools.”
- With approval from the Minnesota Department of Education (MDE), any school district, intermediate school district, charter school, or consortium of school districts may establish a separate online school and be reimbursed for courses taken by students from across the state; MDE has approved 24 online schools to operate in Minnesota.
- Between the 2006-07 and 2009-10 school years, the number of students taking courses part time from online schools nearly doubled, and the number of students taking online courses full time more than tripled.
- Since the 2006-07 school year, full-time online students have become less likely to finish the courses they start; when compared with students statewide, full-time online students were more likely to completely drop out of school.
- Full-time online students made less progress on the MCA-II standardized math tests than students in traditional schools.

- On the MCA-II reading tests, full-time online students generally kept pace with their counterparts in traditional schools in one of the two years we analyzed, but not in the other.
- In the last few years, MDE has not reviewed applications for new online schools in a timely manner.
- The Minnesota Department of Education has not assigned sufficient staff to fulfill its online learning responsibilities.

Key Recommendations:

- The Legislature should adopt specific time frames for MDE to process applications for new online schools.
- The Minnesota Department of Education should redesign its reapproval process for online schools to focus more attention on performance.
- The Minnesota Department of Education should assign sufficient staff to carry out its online learning responsibilities.
- To help school districts and charter schools offer online learning opportunities to their students in a cost-efficient manner, MDE should encourage the development of online learning consortia throughout the state.

Online learning involves interactive courses using the Internet.

Students may participate in online learning part time or full time.

Report Summary

In contrast to the face-to-face teaching methods used in most traditional schools, online learning consists of interactive courses delivered from teachers to students using the Internet, with teachers and students separated geographically. Among other things, state law requires that online courses in public schools be rigorous, be taught by teachers licensed in Minnesota, and meet or exceed state standards.

Minnesota school districts and charter schools may provide online courses to their own students with little direct state oversight. However, school districts and charter schools that want to enroll students in online courses full time, or enroll students from other school districts or charter schools part time, must establish separate online schools approved by the Minnesota Department of Education (MDE).

Student participation in online learning is growing rapidly.

Based on data collected by MDE, between the 2006-07 and 2009-10 school years, the number of part-time students in online schools nearly doubled, and the number of full-time students more than tripled. In the 2009-10 school year, about 12,100 students (about 1.5 percent of Minnesota's K-12 population) took one or more courses from an online school.

In addition, responses to our survey of school district superintendents and charter school directors indicated that 82 Minnesota school districts and 5 charter schools offered online courses solely to their own students during the 2010-11 school year. Survey respondents reported enrolling about 8,000 students in these online courses.

The number of school districts and charter schools providing online courses solely to their own students

could double over the next three years. In our survey, 78 school districts and 14 charter schools not currently offering online courses indicated that they planned to start doing so within the next three years. Further, 49 school districts and 2 charter schools already enrolling students in online courses expect to increase their online offerings during the same time period.

Online learning offers important opportunities to students, but it also raises some concerns.

Online learning is an important and growing component of Minnesota's school choice options. Online learning can give students increased scheduling flexibility and access to course offerings beyond those available at students' local schools. Further, it can give at-risk students another way to stay in school.

However, we have some concerns about the performance of full-time online students. First, course-completion rates for full-time online students have decreased. Between the 2006-07 and 2009-10 school years, course registrations for full-time online students nearly quadrupled, going from about 20,000 courses to more than 80,000. At the same time, course-completion rates dropped from 84 to 63 percent.

Second, drop-out rates for full-time online students have increased. In 2006-07, 18 percent of full-time online twelfth-grade students dropped out of school completely by the end of the school year. In 2009-10, that percentage had grown to 25 percent. In comparison, only 3 percent of twelfth-grade students statewide dropped out of school by the end of their senior year.

Third, during the 2008-09 and 2009-10 school years, full-time online students in grades 4 through 8, on average, made about half as much progress on the

The performance of full-time online students is a concern and should receive more attention.

MCA-II standardized math tests as traditional students in the same grades. For example, during the 2009-10 school year, 39 percent of full-time online students in grades 4 through 8 experienced low growth between math assessments compared with 26 percent of their traditional school counterparts. Results from the MCA-II reading tests were mixed—full-time online students in grades 4 through 8 generally kept pace with their traditional school counterparts in 2009-10 but not in 2008-09. Test results for high school students were generally similar, although the infrequency of assessments for older students makes these data more difficult to interpret.

The Minnesota Department of Education has not processed applications for new online schools in a timely manner.

Over the last several years, MDE has developed and implemented a rigorous review-and-approval process for school districts and charter schools that want to establish online schools. Since passage of the Online Learning Option Act in 2003 and July 2009, MDE approved about 38 applications for new online schools, and it rejected at least 5 others.

Recently, though, MDE's review-and-approval process has struggled, and the department has a backlog of new applications that it has not addressed. Between January 1, 2010, and June 30, 2011, MDE received eight applications to establish online schools—four in 2010 and four in 2011. Despite department guidelines requiring action within 60 days of receiving an application, MDE reviewed and commented on only three of the eight applications. It reviewed one immediately upon receipt, and it reviewed the other two about three to four months after their receipt. In June 2011, MDE approved two of the eight applications—one submitted almost a

year earlier and another submitted less than a week prior to approval.

To help ensure more timely response, the Legislature should require MDE to process applications for new online schools within specific time frames. Although MDE guidelines currently set forth reasonable expectations for parts of the review process, MDE has not followed them. Also, MDE's guidelines do not address how long it should take the department to make a final decision about an application, nor do they address issues related to incomplete applications. Recently, MDE has proposed setting a specific deadline for submitting new applications and limiting the number of times applicants can amend their applications.

The Minnesota Department of Education should redesign its reapproval process.

To gain reapproval, MDE currently requires online schools to resubmit (with updates) the same information contained in their initial applications each year. We think the department's reapproval process for online schools should incorporate some of the performance-related elements currently used to reapprove charter schools. For example, MDE should approve online schools for longer time periods—three to five years. To gain reapproval, school districts and charter schools with online schools should be required to submit formal evaluations assessing their students' performance and their schools' progress in meeting their goals and objectives. This would free MDE of the self-imposed task of reapproving online schools each year and place greater responsibility on the entities that have established the online schools. It would also make the reapproval process more meaningful and could provide insights into the effectiveness of online learning.

The state's oversight of K-12 online schools needs some adjustments.

The Minnesota Department of Education faces challenges in fulfilling its online learning responsibilities and needs to be more strategic.

Reducing oversight of online schools that only serve part-time online students could ease the Minnesota Department of Education's staffing problems.

Staffing and budget limitations have hindered MDE's ability to fulfill its online learning responsibilities. To better focus its resources, MDE could ask the Legislature to limit the department's review-and-approval authority to online schools that enroll students on a full-time basis and require those enrolling only part-time online students statewide to simply register with MDE. In the 2010-11 school year, 8 of the state's 24 online schools enrolled students on a part-time basis only.

State law already contains provisions (which would need to be retained) that safeguard students' interests when enrolling in online courses part time. For example, online schools must notify enrolling school districts whenever one of their students registers for an online course on a part-time basis. In these cases, online schools must make certain course-specific information available to students' enrolling school districts, including how a course incorporates state academic standards. School districts have an opportunity to determine whether specific courses meet their graduation requirements before students complete the courses. Furthermore, enrolling school districts must designate staff to help facilitate

and monitor their students' academic progress when they enroll part time in courses at online schools. Finally, online schools that only enroll students on a part-time basis are generally administered by school district consortia that give member school districts a direct role in determining course content.

School districts and charter schools should be encouraged to develop online learning consortia statewide.

About two-thirds of school districts and charter schools are not members of online learning consortia. School district participation in online learning consortia can be beneficial to students, parents, teachers, and district administrators. For example, school districts that participate in online consortia generally lose less general education revenue when their students enroll in online consortium courses than they would if their students were taking those courses from another online school. Also, participating school districts help determine what courses online consortia offer and how they are delivered. Online consortia could also provide teachers from member districts with access to curricula, training, learning management systems, and various other tools. Because online consortia often use teachers from member school districts to teach their online courses, students and parents may also have more opportunities for face-to-face interaction.

Summary of Agency Response

In a letter dated September 12, 2011, Minnesota Commissioner of Education Dr. Brenda Cassellius wrote that the report's proposed recommendations would "significantly weaken the Department's ability" to oversee online learning and "put at risk the greater goal we all share: to ensure the best education for all Minnesota children." Specifically, the department objected to (1) having mandatory time frames for processing new applications for online schools, (2) incorporating some performance-related elements currently used to reapprove charter schools into the reapproval process for online schools, (3) encouraging the development of online learning consortia, and (4) asking the Legislature to reduce the department's oversight responsibilities for online schools that enroll students on a part-time basis only.

The full evaluation report, *K-12 Online Learning*, is available at 651-296-4708 or:
www.auditor.leg.state.mn.us/ped/2011/k12oll.htm